

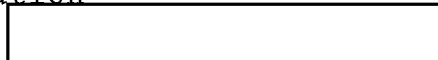
25 NOV 1975

MEMORANDUM FOR: Associate General Counsel, OL
Chief, Special Contract and Procurement
Staff, OEL
Director of Joint Computer Support

ATTENTION



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SUBJECT : Ampex Corporation
Contract No. 

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1. The purpose of this memorandum is to define the problem areas and topics which the Deputy Director of Administration (DD/A) has asked us to be prepared to discuss with him early in December. This memorandum also sets forth the specific areas each of our respective offices should be concentrating upon.

2. The Office of Joint Computer Support (OJCS) should prepare the following documentation:

a. A document which will provide a summary of contractor's performance under the CPFF contract since he established his milestone chart after completion of negotiations resulting in Amendment No. 5 to the contract.

b. A document which details the specific areas that the contractor is considered not to be performing in accordance with the requirements of the CPFF contract.

c. A document which provides a summary of the status of the hardware being procured under the fixed price contract.

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Contract No. [REDACTED]

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d. A document which provides a summary of the results of PSAT at Redwood City, California.

3. The Associate General Counsel should prepare a paper which addresses the following problems:

a. Is the contractor in breach of the CPFF contract [REDACTED] due to his failure to make progress or to perform any of the provisions of the contract?

b. Is the contractor in breach of the FFP contract [REDACTED] due to his failure to make progress or to perform any of the provisions of the contract?

c. Since acceptance of the Mass Storage System is to take place under the CPFF contract, [REDACTED] can the Government terminate for default on contract [REDACTED] due to the fact that acceptance of the hardware under the fixed price contract is based upon final acceptance testing under the CPFF contract?

d. What constitutes final acceptance of hardware under the fixed price contract?

e. What are the legal remedies available to the Government in the event the contractor refuses to continue performance under the CPFF contract when the amount of funds required exceeds the ceiling price of the contract?

4. The Chief, Special Contract and Procurement Staff, Office of ELINT, should provide a memorandum which includes the following:

a. A brief history of the ORACLE Program to date.

b. A summary which incorporates the basic findings of the documents being prepared by OJCS and the Office of General Counsel.

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Contract [REDACTED]

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c. The courses of action available to the Government under various circumstances and the estimated cost associated with each of these courses of action.

5. Coordination of matters discussed herein will be handled by [REDACTED] A meeting is tentatively scheduled for 1 December to review progress on this matter and to prepare for providing further recommendations or information to the DD/A in early December.

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[REDACTED]

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Chief
Procurement Management Staff, OL

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